

Message Text

UNCLASSIFIED

PAGE 01 KUWAIT 03123 280914Z

44

ACTION NEA-10

INFO OCT-01 ISO-00 EB-07 (ISO) W
----- 096362

R 280845Z JUL 75

FM AMEMBASSY KUWAIT

TO COPROX COMPANY INC

PO BOX 765

MIAMI SPRINGS, FLORIDA 33166

INFO SECSTATE WASHDC 3402

USDOC WASHDC

UNCLAS KUWAIT 3123

E.O. 11652: N/A

BFOL, BEXP, BGEN KU

SUBJECT: INTEREST OF KUWAITI COMPANY IN DOING BUSINESS WITH
COPROX

1. MR. AHMAD HAMMOUDEH, GENERAL MANAGER OF ENGINEERING MATERIALS AND EQUIPMENT COMPANY, P.O.BOX 20730 SAFAT, KUWAIT, KUWAIT (CABLE TECHSERVE) HAS ASKED THE EMBASSY TO INFORM YOU OF HIS INTEREST IN DOING BUSINESS WITH COPROX. ACCORDING TO MR. HAMMOUDEH HIS COMPANY WOULD LIKE TO ESTABLISH A MANUFACTURING OPERATION IN KUWAIT IN COOPERATION WITH COPROX. TO DO THIS, HE MUST SATISFY THE LOCAL AUTHORITIES THAT THE PRODUCT TO BE MANUFACTURED WILL BE UNIQUE AND WILL NOT EXCESSIVELY COMPETE WITH EXISTING PAINT MANUFACTURING OPERATIONS HERE.

2. MR. HAMMOUDEH IS CONFIDENT THAT HE CAN ESTABLISH THE UNIQUENESS OF THE PRODUCT, AND HE ALSO BELIEVES THAT THERE IS SUFFICIENT DEMAND TO ASSURE THE PROFITABILITY OF THE ENTERPRISE. NEVERTHELESS, THERE ARE CERTAIN FORMALITIES THAT MUST BE OBSERVED WHICH WILL TAKE SEVERAL MONTHS TO COMPLETE GIVEN THE NATURE OF THE LOCAL BUREAUCRACY. MR. HAMMOUDEH SAID HE NEEDS A SAMPLE OF (SEVERAL GALLONS) OF THE COPROX CONCENTRATE WHICH TOGETHER WITH THE LOCAL RAW MATERIALS WITH WHICH IT WILL BE COMBINED, CAN BE USED TO PREPARE A SAMPLE WHICH CAN BE SUBMITTED TO THE LOCAL AUTHORITIES FOR TESTING TO PROVE ITS UNIQUE QUALITIES. HE HAS EXPLAINED THAT THIS STEP IS AN ESSENTIAL ONE

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 KUWAIT 03123 280914Z

IN OBTAINING THE LICENSE TO FORM THE COMPANY TO MANUFACTURE

THE PRODUCT HERE.

3. APPARENTLY A PROBLEM HAS ARISEN SINCE YOU ARE UNWILLING TO SEND A SMALL QUANTITY TO HIM WITHOUT A FIRM COMMITMENT FOR A LARGER ORDER, AND MR. HAMMOUDEH IS UNABLE TO MAKE SUCH A COMMITMENT UNTIL HE HAS THE LICENSE TO ESTABLISH THE COMPANY. AS NOTED, HOWEVER, HE WILL NOT BE ABLE TO OBTAIN THE LICENSE UNLESS HE CAN OFFER A SAMPLE FOR TESTING AND ANALYSIS. IN ADDITION TO THAT PROBLEM, HOWEVER, MR. HAMMOUDEH HAS COMPLAINED ABOUT NOT BEING ABLE TO RECEIVE A DEFINITIVE REPLY FROM COPROX REGARDING ITS CONTINUED INTEREST IN THE KUWAIT PROJECT. WHILE MR. HAMMOUDEH WISHES TO DO BUSINESS WITH COPROX, HE DOES NOT BELIEVE HE CAN WAIT INDEFINITELY.

4. THE EMBASSY WOULD APPRECIATE BEING INFORMED OF COPROX'S SIDE OF THE STORY. FROM OUR VANTAGE POINT, IT DOES APPEAR THAT IF THE PRODUCT THAT WOULD BE MANUFACTURED LOCALLY IS UNIQUE AS MR. HAMMOUDEH BELIEVES, THAT A SUBSTANTIAL LOCAL AND REGIONAL MARKET MAY INDEED EXIST. MOREOVER, THE EMBASSY CAN CONFIRM THAT MR. HAMMOUDEH'S STORY IS PLAUSIBLE. THAT IS, IT DOES TAKE SEVERAL MONTHS TO OBTAIN A LICENSE FROM THE MINISTRY OF COMMERCE AND INDUSTRY, AND IT IS VIRTUALLY CERTAIN THAT THE AUTHORITIES WILL WANT A SAMPLE TO DETERMINE THE UNIQUENESS OF THE PRODUCT. MR. HAMMOUDEH HAS TOLD US THAT AT A MINIMUM HE WOULD LIKE A FIRM YES OR NO ANSWER FROM COPROX. THE EMBASSY WOULD NOT WANT COPROX TO MISS OUT ON A POTENTIALLY PROFITABLE BUSINESS PROPOSAL SIMPLY BECAUSE OF POSSIBLE LAPSES IN COMMUNICATION WITH MR. HAMMOUDEH. WE, THEREFORE, HAVE AGREED TO PASS HIS REMARKS ON TO YOU AND REQUEST THAT YOU REPLY TO THE EMBASSY SO THAT WE IN TURN CAN FORWARD YOUR IDEAS TO MR. HAMMOUDEH. THE DEPARTMENT OF COMMERCE FIELD OFFICE IN MIAMI (TELEPHONE 350-5267) CAN ASSIST YOU, AND PLEASE DIRECT YOUR REPLY TO THE EMBASSY COMMERCIAL OFFICER JOHN J. ZIOLKOWSKI.
STOLTZFUS

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 28 JUL 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975KUWAIT03123
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750259-0728
From: KUWAIT
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750716/aaaaaope.tel
Line Count: 95
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION NEA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: hartledg
Review Comment: n/a
Review Content Flags:
Review Date: 03 MAR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <03 MAR 2003 by ThomasVJ>; APPROVED <02 FEB 2004 by hartledg>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: INTEREST OF KUWAITI COMPANY IN DOING BUSINESS WITH COPROX
TAGS: BFOL, BEXP, BGEN, KU
To: n/a
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006